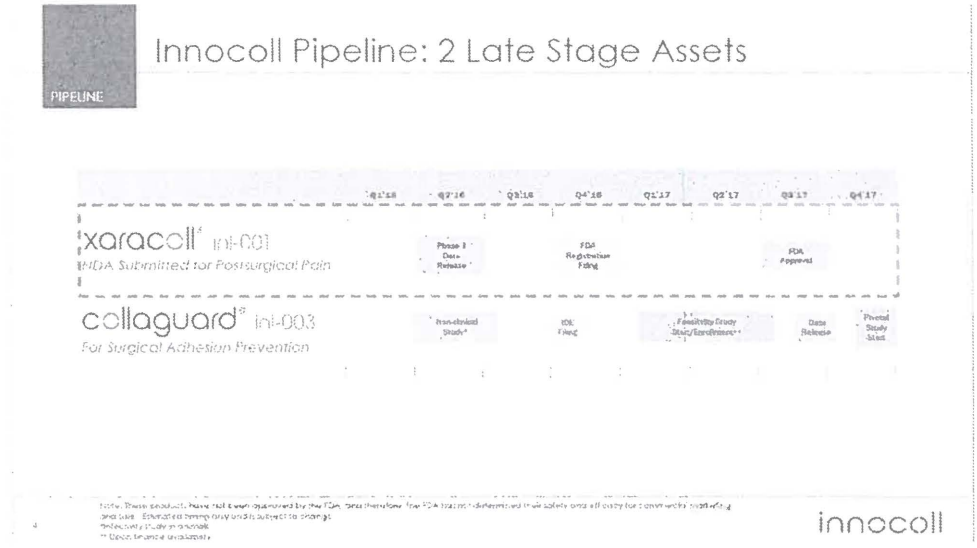
Materially False and Misleading
Statements Issued During the Class Period

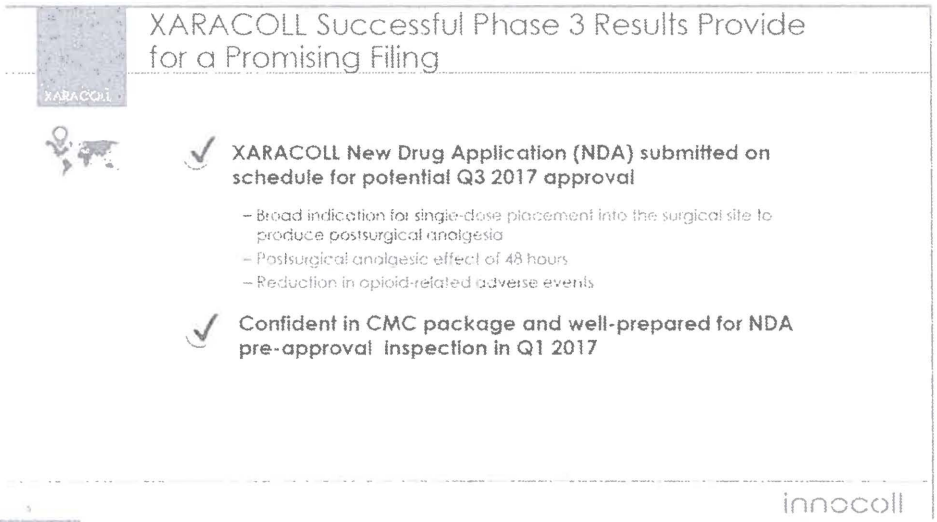
17. On November 3, 2016, the Company issued a press release announcing the submission of its NDA for XARACOLL to the FDA, stating in relevant part:

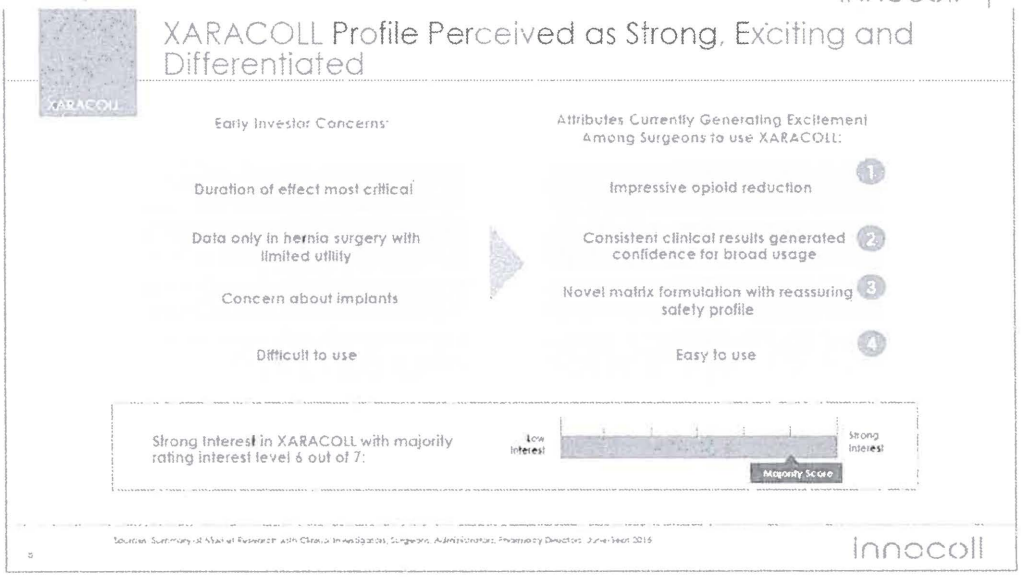
> Innocoll Announces Top-Line Data From Phase 3 Trials With COGENZIA and NDA Submission for XARACOLL
>
> * * *
>
> ***Innocoll also announced the submission of a New Drug Application (NDA) for XARACOLL (bupivacaine HCl collagen-matrix implants) to the U.S. Food and Drug Administration (FDA) for the treatment of postsurgical pain.*** The submission was based upon the successful results of the MATRIX trials which showed statistically significant differences in the primary endpoint, the sum of pain intensity in both studies, as well as statistically significant reductions in opioid use and other secondary endpoints.

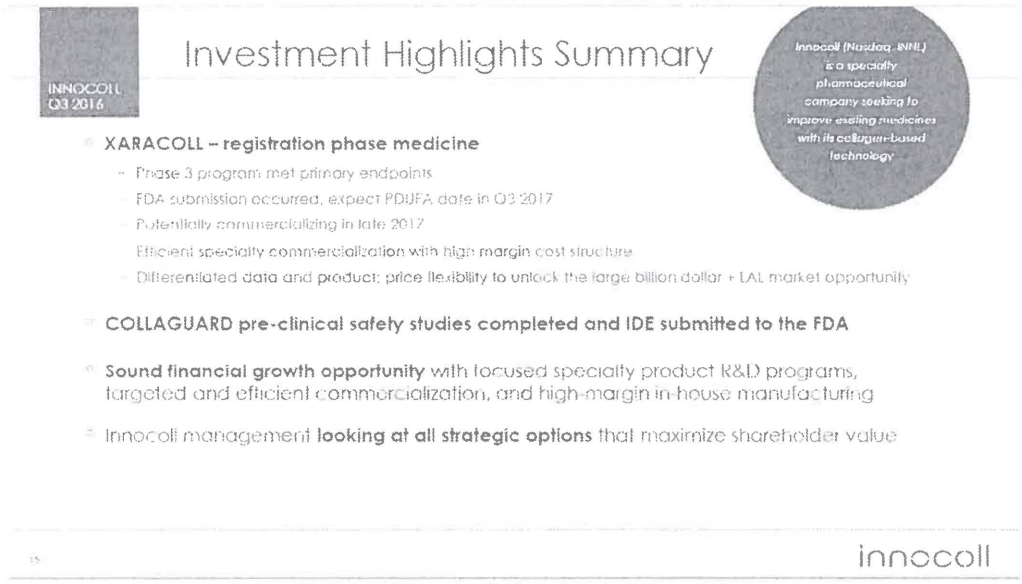
(Emphasis added).

18. On November 16, 2016, the Company presented at the Stifel 2016 Healthcare Conference. During the presentation, Innocoll included several slides regarding the submission of its NDA for the XARACOLL to the FDA with an expected PDUFA action date by the third quarter of 2017, including:


PIPELINE
Innocoll Pipeline: 2 Late Stage Assets
Q1'16
Q2'16
Q3'16
Q4'16
Q1'17
Q2'17
Q3'17
Q4'17
xaracoll INN-001
NDA Submitted for Postsurgical Pain
Phase 3 Data Release
FDA Registration Filing
FDA Approval
collaguard INN-003
For Surgical Adhesion Prevention
Pre-clinical Study
IDE Filed
Feasibility Study Start/Enrollment
Data Release
Pivotal Study Start
innocoll


XARACOLL
XARACOLL Successful Phase 3 Results Provide for a Promising Filing
XARACOLL New Drug Application (NDA) submitted on schedule for potential Q3 2017 approval
– Broad indication for single-dose placement into the surgical site to produce postsurgical analgesia
– Postsurgical analgesic effect of 48 hours
– Reduction in opioid-related adverse events
Confident in CMC package and well-prepared for NDA pre-approval inspection in Q1 2017
innocoll


XARACOLL
XARACOLL Profile Perceived as Strong, Exciting and Differentiated
Early Investor Concerns:
Duration of effect most critical
Data only in hernia surgery with limited utility
Concern about implants
Difficult to use
Attributes Currently Generating Excitement Among Surgeons to use XARACOLL:
1 Impressive opioid reduction
2 Consistent clinical results generated confidence for broad usage
3 Novel matrix formulation with reassuring safety profile
4 Easy to use
Strong interest in XARACOLL with majority rating interest level 6 out of 7:
Low Interest
Strong Interest
Majority Score
innocoll



19. On November 22, 2016, the Company filed a press release with the SEC announcing Innocoll's financial and operating results for the third quarter of 2016 and provided corporate updates, stating in relevant part:

Innocoll Holdings plc Announces Third Quarter 2016 Financial and Operating Results and Provides Corporate Update

"As we recently announced, Innocoll achieved an exciting, new milestone with the submission of a New Drug Application (NDA) to the U.S. Food and Drug Administration (FDA), for XARACOLL for the treatment of post-surgical pain," said Tony Zook, Chief Executive Officer of Innocoll. ***"We anticipate an FDA acceptance of the NDA, for review, by the end of this year, and with a target Prescription Drug User Fee Act (PDUFA) action date in late August 2017, this achievement will take us another step closer to the approval and launch of XARACOLL in potentially less than one year***. In preparation, our Saal Germany based manufacturing facility has completed its construction phase, and we are on schedule to undergo pre-approval inspections soon. In addition to progressing XARACOLL, we were also pleased to announce the advancement of COLLAGUARD upon successful demonstration of medical safety in its pre-clinical studies, which cleared the way for our submission of an Investigational Device Exemption (IDE) this month for the prevention of post-surgical adhesions. The COLLAGUARD program is an ideal complement to XARACOLL, which we

believe will position Innocoll competitively in the hospital segment. We reported earlier this month that while COGENZIA showed trends of clinical improvement as adjunct treatment of Diabetic Foot Infections (DFIs), the top-line results did not reach statistical significance for the primary endpoint. We will continue to assess all strategic options to bring these much needed new products to the market and the medical community. ***We plan to manage our cash runway until after the anticipated XARACOLL NDA approval, expected in the third quarter of 2017, and we feel confident about our ability to finance the commercialization of XARCOLL as well as our pipeline".***

Third Quarter 2016 and Recent Highlights

- Submitted an NDA for XARACOLL to the FDA for the treatment of postsurgical pain
  - ***FDA acceptance anticipated by the end of 2016, with a target PDUFA action date in late August 2017.***
  - Presented supportive pharmacokinetic data at American Society of Anesthesiologists (ASA) Annual Meeting in Chicago, in October.
  - Medical publication and presentation of full Phase 3 data are targeted for 2Q 2017. Also under preparation to be published next year are the results of our Health Economics (HECON) study, demonstrating the health economic benefits of using XARACOLL.
  - Assessment of strategic options around product development continues, as well the planning and preparation for commercialization has ramped up.

(Emphasis added).

20. On November 22, 2016, the Company also held a conference call to discuss the third quarter of 2016. On the conference call, Defendant Zook spoke about the NDA for XARACOLL, stating in relevant part:

First, we were very pleased to announce recently the achievement of an exciting new milestone for Innocoll. ***We submitted our first new drug application to the U.S. Food and Drug Administration in October for XARACOLL for the treatment of post-surgical pain. We expect to hear back from the FDA by the end of this year with respect to their acceptance of the NDA filing. This would target a PDUFA action date in late August putting us on track to the approval and commercialization of a branded therapeutic in potentially less than a year.***

* * *

As you can see, XARACOLL posted positive Phase 3 data back in the second quarter and we submitted an NDA for post-surgical analgesia last month. ***This is a 505(b)(2) application with a standard 10-month review and thus we anticipate being able to commercialize the product soon after an approval in Q3 of 2017.***

(Emphasis added).

21. On the same conference call, Defendant Carmona discussed XARACOLL's anticipated PDUFA action date in 2017, stating in relevant part:

> Our cash position should enable us to manage our resources, to extend the cash runway, and to offer the anticipated XARACOLL PDUFA action date expected in the third quarter of 2017.
>
> Specifically, our near-term priorities include plans to optimize cost structure of company operations and to ensure [Indiscernible] from the preapproval inspection of our manufacturing facilities all in light of an anticipated target date for FDA approval of the XARACOLL NDA in the third quarter of 2017.

22. On the same conference call, Defendant Russel spoke about the XARACOLL's NDA, stating in relevant part:

> So, the XARACOLL program, as Tony mentioned, we did submit our NDA based on our Phase 3 trial results and I'll give you some key specifics on what we asked for with respect to the potential label.
>
> We submitted for a broad indication for single dose placement into the surgical site to produce post-surgical analgesia. We did include results of both the MATRIX-1 and MATRIX-2 trials and the pool data for the demonstration of post-surgical analgesic effect of 48 hours.
>
> We also included language related to XARACOLL's statistically significant reduction in total opioid consumption and increase in median time to first opioid use as well as the reduction in the incidences of opioid related adverse event.
>
> ***We're quite confident in our CMC package and we are well-prepared for the upcoming NDA preapproval inspection. We continue to plan for medical [publication] [ph] and presentation of the full analysis of XARACOLL's Phase 3 data, which are targeted for the second quarter of 2017.***
>
> Also under preparation to be published next year are the results for our HECON study, demonstrating the Health Economics benefit of using XARACOLL. Our Pharmacokinetic data which was strongly supportive was recently presented at the American Society of Anesthesiologists Annual Meeting in October.
>
> (Emphasis added).

23. The above statements contained in ¶¶17-22 were false and/or misleading, as well as failed to disclose material adverse facts about the Company's business, operations, and prospects. Specifically, these statements were false and/or misleading statements and/or failed to disclose: (1) the Company's NDA submission to the FDA in October 2016 for XARACOLL was incomplete; (2) due to the incomplete NDA submission, XARACOLL would not be approved in 2017 as investors were led to believe; and (3) that, as a result of the foregoing, Defendants' statements about Innocoll's business, operations, and prospects, were false and misleading and/or lacked a reasonable basis.

THE TRUTH EMERGES

24. On December 29, 2016, the Company issued a press release stating that the they received a Refusal to File letter from the FDA for XARACOLL. The press release stated in relevant part:

> Innocoll Receives Refusal to File Letter from U.S. FDA for XARACOLL® (bupivacaine HCl collagen-matrix implants) New Drug Application
>
> ATHLONE, Ireland, Dec. 29, 2016 (GLOBE NEWSWIRE) -- Innocoll (NASDAQ:INNL), a global, commercial-stage, specialty pharmaceutical company, today announced that ***it has received a Refusal to File letter from the United States Food and Drug Administration (FDA) for XARACOLL, the company's product candidate for the treatment of postsurgical pain.***
>
> Upon preliminary review, ***the FDA determined that the application, which was submitted in October 2016, was not sufficiently complete to permit a substantive review. In the Refusal to File letter, the FDA indicated among other things, that XARACOLL should be characterized as a drug/device combination, which would require that the Company submit additional information.*** The company will request a Type A meeting with the FDA to respond to several issues believed to be addressable and seek clarification of what additional information, if any, will be required. Additional details will be disclosed in the future after discussions with the FDA.
>
> "We expect to work with the FDA over the coming weeks in an effort to address the open issues and to define a path forward for a successful re-filing of our application at the earliest point in time," said Tony Zook, CEO of Innocoll.

(Emphasis added).

25. On this news the Company's shares fell $1.08 per share or over 61% from its previous closing price to close at $0.69 per share on December 30, 2016.

PLAINTIFF'S CLASS ACTION ALLEGATIONS

26. Plaintiff brings this action as a class action pursuant to Federal Rule of Civil Procedure 23(a) and (b)(3) on behalf of a class consisting of all persons other than defendants who acquired Innocoll securities during the Class Period and who were damaged thereby (the "Class"). Excluded from the Class are Defendants, the officers and directors of Innocoll, members of the Individual Defendants' immediate families and their legal representatives, heirs, successors or assigns and any entity in which Officer or Director Defendants have or had a controlling interest.

27. The members of the Class are so numerous that joinder of all members is impracticable. Throughout the Class Period, Innocoll securities were actively traded on NASDAQ. While the exact number of Class members is unknown to Plaintiff at this time and can be ascertained only through appropriate discovery, Plaintiff believes that there are hundreds, if not thousands of members in the proposed Class.

28. Plaintiff's claims are typical of the claims of the members of the Class as all members of the Class are similarly affected by defendants' wrongful conduct in violation of federal law that is complained of herein.

29. Plaintiff will fairly and adequately protect the interests of the members of the Class and has retained counsel competent and experienced in class and securities litigation. Plaintiff has no interests antagonistic to or in conflict with those of the Class.

30. Common questions of law and fact exist as to all members of the Class and predominate over any questions solely affecting individual members of the Class. Among the questions of law and fact common to the Class are:

- whether the Exchange Act was violated by Defendants' acts as alleged herein;
- whether statements made by Defendants to the investing public during the Class Period misrepresented material facts about the financial condition and business Innocoll;
- whether Defendants' public statements to the investing public during the Class Period omitted material facts necessary to make the statements made, in light of the circumstances under which they were made, not misleading;
- whether the Defendants caused Innocoll to issue false and misleading SEC filings during the Class Period;
- whether Defendants acted knowingly or recklessly in issuing false and SEC filing
- whether the prices of Fenix's securities during the Class Period were artificially inflated because of the Defendants' conduct complained of herein; and
- whether the members of the Class have sustained damages and, if so, what is the proper measure of damages.

31. A class action is superior to all other available methods for the fair and efficient adjudication of this controversy since joinder of all members is impracticable. Furthermore, as the damages suffered by individual Class members may be relatively small, the expense and burden of individual litigation make it impossible for members of the Class to individually redress the wrongs done to them. There will be no difficulty in the management of this action as a class action.